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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____	x	
	:	Chapter 11
In re:	:	
	:	Case No. 08-13555 (SCC)
LEHMAN BROTHERS HOLDINGS INC., et al.,	:	
	:	
Debtors.	:	
_____	x	
	:	
LEHMAN BROTHERS SPECIAL FINANCING INC.,	:	
	:	
Plaintiff,	:	
	:	
-against-	:	Adversary Proceeding
	:	No. 10-03547 (SCC)
BANK OF AMERICA NATIONAL ASSOCIATION,	:	
et al.,	:	
	:	
	:	
Defendants.	:	
_____	x	

**DECLARATION OF ADAM M. BIALEK IN SUPPORT OF ORDER TO
SHOW CAUSE TO EXTEND THE TIME TO ANSWER THE
DISTRIBUTED ACTION COMPLAINT AND GRANTING CERTAIN
RELIEF PURSUANT TO SECTION 105(a) OF THE BANKRUPTCY CODE**

ADAM M. BIALEK, being duly sworn, hereby declares pursuant to
section 1746 of title 28 of the United States Code:

1. I am an attorney admitted to practice before this Court and a
partner at Wollmuth Maher & Deutsch LLP, special counsel for Lehman Brothers Special

Financing Inc. (“LBSF”) in the above-captioned adversary proceeding. Unless otherwise indicated, the facts stated herein are based upon my personal knowledge.

2. I submit this declaration in support of the Order to Show Cause to Extend the Time to Answer the Distributed Action Complaint and Granting Certain Relief Pursuant to Section 105(a) of the Bankruptcy Code (the “Order to Show Cause”) in connection with the adversary proceeding entitled *Lehman Brothers Special Financing Inc. v. Bank of America National Association, et al.*, Adversary Proceeding No. 10-03547 (the “Distributed Action”).

A. The Stay Order and the Proposed Distributed Action Scheduling Order

3. Pursuant to the Order Extending Stay of Avoidance Actions and Granting Certain Related Relief Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 7004(a)(1), dated January 31, 2014 [Dkt. No. 42417] (the “Stay Order”), Defendants in the Distributed Action may answer or otherwise respond to the Complaint by either (i) July 5, 2014 or (ii) such time as set forth in the Distributed Action Scheduling Order to be entered by the Court. *See* Stay Order at 3-4.

4. On May 14, 2014, the Court heard arguments concerning the post-stay litigation protocol to be adopted for the Distributed Action following submissions made to the Court by LBSF, the Group of 77 Defendants (“Group”), Trustee Defendants, and Defendant JA Hokkaido Shinren (“JAH”) [Adv. Pro. Nos. 714, 717, 725, 730, 731, 733, 747, 748, 754, 756; Dkt. Nos. 29507, 43983-1, 44200]. On the primary issue before the Court, the Court ordered that Phase I of the proceeding would be Class Certification, followed by motions to dismiss and answers in Phase II. [Tr. 119:18-120:7] The Court requested submission of a proposed Distributed Action Scheduling Order reflecting this

decision, as well as (i) certain other matters that were addressed and decided by the Court and (ii) other matters to be ironed out by the parties. LBSF proceeded to draft a proposed order which it circulated on May 22, 2014, to the Group, the Trustee Defendants and JAH. Thereafter, the parties exchanged further drafts in an effort to agree on a proposed Distributed Action Scheduling Order to submit to the Court. LBSF is hopeful that a proposed order will be submitted to the Court this week with few, if any, issues to be resolved.

5. As discussed during the May 14 hearing, the intent behind the proposed Distributed Action Scheduling Order is to avoid a litigation free-for-all that could occur if, among other things, the Defendants were required to begin to answer or otherwise respond on July 5, 2014, without the proposed Distributed Action Scheduling Order being in place to manage the Distributed Action.

6. LBSF intended that the Distributed Action Scheduling Order be in place prior to July 5, 2014, but it is unclear whether that will occur as parties are still suggesting revisions to the proposed order.

B. Extension of the Stay Order

7. To avoid triggering unnecessary filings and consistent with what LBSF believes was the intent of the parties and the Court at the May 14 hearing, cause exists to extend the time for the Defendants to Answer or otherwise respond to the Complaint from July 5, 2014, to such time as set forth in the Distributed Action Scheduling Order to be entered by the Court.

8. Therefore, LBSF requests that the Order to Show Cause which seeks that the time within which Defendants shall answer or otherwise respond to the

Complaint in the Distributed Action shall be governed by the Distributed Action
Scheduling Order to be entered by the Court, be granted.

9. No previous application for similar relief has been made with
respect to the Motion.

Dated: New York, New York
June 30, 2014

/s/ Adam M. Bialek

Adam M. Bialek